

**ND ASSOCIATION OF COUNTIES FUND
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2006**

	December-06					September-06				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Quarter	Month	Market Value	Allocation	Policy	Quarter	FYTD	FY06	Ended	Ended
				Net ROR	Net ROR				Net ROR	Net	Net	6/30/2006	6/30/2006
												Net	Net
LARGE CAP DOMESTIC EQUITY													
<i>Structured Growth</i>													
Los Angeles Capital	37,102	4.3%	4.4%	7.40%	0.16%	35,353	4.3%	4.4%	1.60%	9.12%	11.12%	N/A	N/A
Total Structured Growth	37,102	4.3%	4.4%	7.40%	0.16%	35,353	4.3%	4.4%	1.60%	9.12%	11.12%	12.01%	-0.32%
<i>Russell 1000 Growth</i>				5.93%	0.34%				3.94%	10.10%	6.12%	8.35%	-0.76%
<i>Structured Value</i>													
LSV	41,067	4.7%	4.4%	8.09%	1.93%	38,954	4.7%	4.4%	4.90%	13.39%	15.05%	21.14%	12.22%
Russell 1000 Value				8.00%	2.24%				6.22%	14.72%	12.10%	15.70%	6.89%
<i>Russell 1000 Enhanced Index</i>													
LA Capital	77,819	9.0%	8.9%	7.67%	1.05%	70,517	8.6%	8.9%	3.71%	11.66%	11.58%	N/A	N/A
Russell 1000				6.95%	1.28%				5.06%	12.36%	9.08%	N/A	N/A
<i>S&P 500 Enhanced Index</i>													
Westridge	78,408	9.1%	8.9%	6.86%	1.43%	75,299	9.2%	8.9%	5.75%	13.00%	8.77%	N/A	N/A
S&P 500				6.70%	1.40%				5.67%	12.74%	8.63%	N/A	N/A
<i>Index</i>													
State Street	27,558			8.03%	2.51%	26,158			5.78%	14.28%	9.51%	11.47%	2.62%
Total 130/30	27,558	3.2%	3.0%	8.03%	2.51%	26,158	3.2%	3.0%	5.78%	14.28%	9.51%	11.47%	2.62%
S&P 500				6.70%	1.40%				5.67%	12.74%	8.63%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	261,954	30.2%	29.7%	7.50%	1.32%	246,280	30.0%	29.7%	4.49%	12.32%	10.95%	13.63%	3.95%
S&P 500				6.70%	1.40%				5.67%	12.74%	8.63%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY													
<i>Manager-of-Managers</i>													
SEI	107,758	12.4%	12.1%	8.82%	0.32%	98,913	12.0%	12.1%	-0.01%	8.81%	13.58%	18.20%	7.84%
Russell 2000 + 200bp				9.43%	0.50%				0.94%	10.46%	16.86%	21.06%	10.38%
TOTAL SMALL CAP DOMESTIC EQUITY	107,758	12.4%	12.1%	8.82%	0.32%	98,913	12.0%	12.1%	-0.01%	8.81%	13.58%	18.20%	7.86%
Russell 2000				8.90%	0.33%				0.44%	9.38%	14.58%	18.70%	8.50%
INTERNATIONAL EQUITY													
<i>Large Cap - Active</i>													
Capital Guardian	48,376	5.6%	5.3%	8.53%	3.03%	44,523	5.4%	5.3%	5.02%	13.98%	28.07%	20.99%	6.90%
LSV	48,072	5.5%	5.3%	10.66%	4.55%	43,450	5.3%	5.3%	6.24%	17.56%	27.09%	N/A	N/A
Total Large Cap - Active	96,447	11.1%	10.6%	9.58%	3.78%	87,973	10.7%	10.6%	5.62%	15.74%	27.66%	21.92%	12.63%
MSCI EAFE - 50% Hedged				9.06%	3.79%				4.87%	14.37%	26.72%	22.56%	6.89%
<i>Small Cap - Value</i>													
Lazard	11,850	1.4%	1.3%	14.66%	4.20%	10,336	1.3%	1.3%	0.72%	15.49%	23.65%	28.06%	N/A
Citigroup Broad Market Index < \$2BN				11.41%	3.40%				1.53%	13.11%	29.28%	32.40%	N/A
<i>Small Cap - Growth</i>													
Vanguard	12,018	1.4%	1.3%	12.63%	3.92%	10,671	1.3%	1.3%	3.73%	16.83%	29.24%	32.39%	N/A
Citigroup Broad Market Index < \$2BN				11.41%	3.40%				1.53%	13.11%	29.28%	32.40%	N/A
TOTAL INTERNATIONAL EQUITY	120,315	13.9%	13.3%	10.35%	3.84%	108,979	13.3%	13.3%	4.93%	15.79%	27.35%	23.83%	8.67%
MSCI EAFE - 50% Hedged				9.06%	3.79%				4.87%	14.37%	26.72%	22.56%	6.89%
DOMESTIC FIXED INCOME													
<i>Core Bond</i>													
Western Asset	115,947	13.4%	13.8%	2.01%	-0.36%	112,772	13.7%	13.8%	4.45%	6.56%	-0.90%	7.36%	8.59%
Lehman Aggregate				1.24%	-0.58%				3.81%	5.09%	-0.81%	2.05%	4.97%
<i>Core Plus/Enhanced</i>													
Clifton Group	26,387	3.0%	3.2%	0.66%	-0.69%	26,012	3.2%	3.2%	N/A	N/A	N/A	N/A	N/A
Prudential	26,424	3.1%	3.2%	1.88%	-0.39%	25,722	3.1%	3.2%	N/A	N/A	N/A	N/A	N/A
Total Core Plus/Enhanced	52,812	6.1%	6.4%	1.27%	-0.54%	51,734	6.3%	6.4%	N/A	N/A	N/A	N/A	N/A
Lehman Aggregate				1.24%	-0.58%				3.81%				
<i>Index</i>													
Bank of ND	48,776	5.6%	6.0%	1.31%	-0.40%	49,600	6.0%	6.0%	3.10%	4.46%	-1.14%	1.14%	4.90%
Lehman Gov/Credit (1)				1.04%	-0.76%				3.91%	4.99%	-1.52%	1.04%	4.78%
<i>BBB Average Quality</i>													
Wells Capital (formerly Strong)	115,616	13.3%	13.8%	1.75%	-0.69%	112,741	13.7%	13.8%	4.60%	6.43%	-2.11%	2.63%	N/A
Lehman US Credit BAA				1.49%	-0.94%				4.80%	6.36%	-2.37%	2.63%	N/A
TOTAL DOMESTIC FIXED INCOME	333,151	38.5%	40.0%	1.70%	-0.51%	326,847	39.8%	40.0%	4.28%	6.06%	-1.39%	6.59%	7.79%
Lehman Aggregate (2)				1.24%	-0.58%				3.81%	5.09%	-0.81%	1.84%	5.28%
CASH EQUIVALENTS													
Bank of ND	42,980	5.0%	5.0%	1.32%	0.44%	40,527	4.9%	5.0%	1.35%	2.68%	4.50%	2.71%	2.42%
90 Day T-Bill				1.26%	0.44%				1.33%	2.60%	4.00%	2.37%	2.25%
TOTAL NDACo FUND	866,159	100.0%	100.0%	5.43%	0.79%	821,546	100.0%	100.0%	3.76%	9.39%	6.38%	8.63%	5.44%
POLICY TARGET BENCHMARK				4.80%	0.75%				3.97%	8.96%	6.01%	7.83%	5.26%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.